

Child care fees in Richmond second highest in Canada: Think tank^[1]

A report says new expensive for-profit centres could be the reason.

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EXCERPTS

Richmond has the second highest child-care fees in Canada, ranking just behind Toronto.

And Richmond could struggle to meet a federal target of cutting fees in half from what they were in 2019, according to a report by the Canadian Centre for Policy Alternatives released earlier this week.

“It’s not a sort of list you want to be second on... If their data is correct, then that’s a tricky situation for us to be in for families in Richmond,” said Nicky Byres, the executive director of the Society of Richmond Children’s Centres.

These high fees means the city will have to make bigger cuts in order to reach the federal target of a 50-per-cent reduction of 2019 median fees.

By the end of this year, infant and toddler fees will have to go down by \$850, and pre-school fees by \$797.

“The fees are so much higher in (Richmond), even compared to places like Vancouver, much less smaller centres like Kelowna,” said David Macdonald, co-author of the report.

The most expensive fees for child care in Richmond were \$1,450 for toddlers and \$1,275 for preschool-aged children in 2021, with increases of \$250 and \$320 respectively from 2019.

Monthly infant fees also rose from \$1,200 in 2019 to \$1,450 in 2021, which ranked Richmond ninth-highest in Canada.

The report suggested this increase could be due to new for-profit centres opening during the pandemic. Currently, for-profit fees for preschool-aged children in the city are 49 per cent more expensive than not-for-profit.

“From our most recent data it does indicate rates increased in 2020 due to the pandemic but it is important to remember that generally all child care centres have an increase each year,” said Jocelyn Wong, general manager of Richmond Cares, Richmond Gives, which collects data on child-care fees.

Despite social distancing measures during pandemic, demand for child care remained high in the city, which could be why there were new centres, explained Jiaxuan Chen, the owner of Kiddo House Child Care Centre.

Kiddo House is a for-profit, home-based centre that opened during the pandemic. Chen was laid off from her job, and she decided to open the centre because she saw a high demand for child care in her neighbourhood, but not enough spaces. Furthermore, she could take care of her own child while working.

Chen said that for-profit models are easier to open and operate compared to non-profit models, since there is no need for experience in running non-profits or board members.

A majority of child care centres in Richmond are for-profit, and Wong said that it is important to note that both models provide quality child care.

Making child care more affordable

The province’s current strategy to make child care more affordable is to subsidize a portion of the fees, as well as increasing the number of \$10-a-day child-care spaces. By the end of 2022, there will be 12,500 \$10 a day child care spaces across the province.

In Richmond, three child care centres became \$10 a day sites earlier this year.

“(Fee) reduction is just one part of the puzzle. The other part of the puzzle is having sufficient early childhood educators and sufficient spaces to make the system work,” said Byres.

“And we’re in an HR crisis in the early childhood field. It is very, very difficult to find qualified early childhood educators, and, partly, that’s because of wages,” she added.

While non-profit centres are doing their best to keep fees affordable, they also have the added challenge of balancing that with paying good wages and providing benefits to the people crucial to the system.

And the demand for spaces continues to pose a problem in the city.

“It’s just very, very tricky. Parents need to waitlist, and they need to waitlist in multiple places because there’s just no easy way to get them spaces,” said Byres.

The lack of spaces also means that parents won’t always get to choose child care programs that align with their values, since they might have to take whatever is available, she added.

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